77 Beale Street Pacific Gas and San Francisco, CA Electric Company

Everett, MA 02149

113

Date: 12/16/2013

Check No. 3575926

Pay \$\*\*\*\*\*\*375,000.00\*

\*THREE HUNDRED SEVENTY-FIVE THOUSAND

AND 00/100 DOLLARS

To The Order Of

ACCOUNTS PAYABLE

CALIFORNIA PUBLIC UTILITIES COMMISS ATTN FISCAL OFFICE ROOM 3000 505 VAN NESS AVE SAN FRANCISCO CA 94102-3298

VP and TREASURER

Redacted

**CALIFORNIA PUBLIC UTILITIES COMMISS** Check no. Date Your account number Payment Document Our account with you

3575926 <u> 12/16/2013</u> Redacted 2000175006 TAULIA

Invoice Discount Net Amount Comments Date Redacted 375.000.00 CITATION 13-005 12/13/13 0.00 (A2C7) 77 BEALE ST # 1084 223-501 0.00 375,000.00 For Payment Inquiries, Call 1-800-756-PAID Totals: USD

Special Handle Code: 01



Citation Date: 12/05/2013

Citation #: 13-005

Operator ID#: 15007

## **CITATION PAYMENT FORM**

I (we) Pacific Gas and Electric Company (PG&E) hereby agree to comply with this citation dated December 5, 2013, and have corrected/mitigated the violation(s) noted in the citation on June 12, 2013 and no later than June 12, 2013, all work to make permanent corrections to any mitigated, or otherwise remaining concerns related to the violation(s) will be completed as noted in the Compliance Plan we have submitted to the Director of SED and, herewith, pay a fine in the amount of \$375,000 as included in the citation.

Signature of Gas Corporation Treasurer, Chief Financial Officer, or President/CEO, or delegated Officer thereof

(Signature)

(Date)

Nickolas Stavropoulos

<u>Executive Vice President of Gas Operations</u>

(Printed Name and Title)

Payment with a check must be made payable to the *California Public Utilities Commission* and sent to:

California Public Utilities Commission Attn: Fiscal Office 505 Van Ness Avenue San Francisco, CA 94102-3298

NOTE: A copy of the completed Citation Payment Form must be sent to the Director of the Safety and Enforcement Division, via email or regular mail, to the addresses provided on the Citation.

Citation Deatember5, 2013
Citation #:13-005
Operator 15#07

## ADDENDUM TO CITATION PAYMENT FORM

In connection with the above-referenced citation ("Citation") and payment of the associated fine, respondent Pacific Gas & Electric Company ("PG&E") notes that the violation identified in the Citation substantially overlaps with the subject matter of CommissionOrder Instituting Investigation I.11-11-009ss("Location OII"). For example:

- The Class Location OII specifically identified issues relating to PG&E's continuing surveillance program pursuant49cCFR§192.613 as falling within the scope of that proceeding: "Federal regulations require a natural gas transmission pipeline operator have a procedure for continuing surveillance of its facilities to determine and take appropriate action related to changes in class location, failures, leakage history, corrosion, substantial changes in cathodic protection requirements, and other unusual operating and maintenance conditions. (See 49 C.F.R. §192.613.)"
- The OM& Audit in which SEDidentified the Citation was conducted from February 14-17, 2012, during the pendency of the Class Location OII.
- SED's (then CPSD)May 2012 Investigative Report in the Class Location OII issued after the OM& Audit included violations of §192.613 for failing to maintain a continuing surveillance procedure.
- SED'sopening brief in the Class Location OII, filed in November2012, alleged that PG&Edid not maininta a formal continuing surveillance procedure.

Given the substantial overlap between the subject matter of the Citation and the subject matter of the Class Location OG&Erespectfully urges the Commission to take into account PG&E's\$375,000 payment submitted today in connection with assessment of any subsequent penalty in the Class Location OII.